United Nations A/66/519

General Assembly

Distr.: General
17 October 2011

Original: English

Sixty-sixth session
Agenda item 162
Financing of the United Nations Mission in the Sudan

Revised budget for the United Nations Mission in the Sudan for the period from 1 July 2011 to 30 June 2012

Report of the Secretary-General

Contents

		Page
I.	Mandate and planned results	4
	A. Overall	4
	B. Planning assumptions	5
	C. Results-based-budgeting frameworks	6
II.	Financial resources	11
	A. Overall	11
	B. Vacancy factors	12
	C. Contingent-owned equipment: major equipment and self-sustainment	12
	D. Mine detection and mine-clearing services	13
III.	Analysis of variances	13
IV.	Actions to be taken by the General Assembly	17
Annex		
	Organization charts	18
Map		20

11-55097 (E) 251011

Please recycle

Summary

The Security Council, in its resolution 1997 (2011), decided to withdraw the United Nations Mission in the Sudan (UNMIS) effective 11 July 2011.

The present report contains the revised budget for UNMIS for the financial period from 1 July 2011 to 30 June 2012, which amounts to $137,532,000 and provides for the withdrawal and administrative liquidation of the Mission.

The revised budget takes into account the actual deployment of personnel as at 1 July 2011 and reflects requirements for the repatriation or phased transfer to the United Nations Mission in South Sudan (UNMISS) and the United Nations Interim Security Force for Abyei of 467 military observers, 9,248 military contingent personnel and 637 United Nations police officers; repatriation to their home countries, transfer to UNMISS or separation of 957 international staff, 323 United Nations Volunteers and 15 Government-provided personnel; and the transfer to UNMISS or separation of 2,762 national staff, inclusive of temporary positions.

The revised resource requirements of UNMIS for the 2011/12 period have been linked to the Mission's objective to accomplish effective and efficient withdrawal and administrative liquidation by 31 December 2011, as reflected in the results-based frameworks. The human resources of the Mission, in terms of number of personnel, have been attributed to the withdrawal and administrative liquidation of the Mission.

The budget also includes provisions for the Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan for the period from 1 August to 31 December 2011.

The explanations of variances in human resources and financial resources have been linked, where applicable, to specific outputs planned by the Mission.

Financial resources

(Thousands of United States dollars. Budget year is from 1 July to 30 June.)

Category	*Apportionment (2010/11)*[a]	*Cost estimates*[b] *(2011/12)*	*Revised estimates (2011/12)*	*Variance*	
				Amount	*Percentage*
Military and police personnel	321 648.5	313 997.4	49 357.6	(264 639.8)	(84.3)
Civilian personnel	245 666.0	248 299.5	47 262.4	(201 037.1)	(81.0)
Operational costs	440 711.8	384 780.0	40 912.0	(343 868.0)	(89.4)
Gross requirements	**1 008 026.3**	**947 076.9**	**137 532.0**	**(809 544.9)**	**(85.5)**
Staff assessment income	25 718.4	27 431.6	3 477.7	(23 953.9)	(87.3)
Net requirements	**982 307.9**	**919 645.3**	**134 054.3**	**(785 591.0)**	**(85.4)**
Voluntary contributions in kind (budgeted)	—	—	—	—	—
Total requirements	**1 008 026.3**	**947 076.9**	**137 532.0**	**(809 544.9)**	**(85.5)**

[a] Includes resources approved for the referendum in the Sudan pursuant to General Assembly resolution 65/257 A of $70,026,300 gross ($69,034,500 net).

[b] Cost estimates contained in the report of the Secretary-General on the budget for UNMIS (A/65/731).

Human resources

	Authorized strength[a]	*Withdrawal schedule*					
		07/11	*08/11*	*09/11*	*10/11*	*11/11*	*12/11*
Military observers	525	467	85	—	—	—	—
Military contingents	9 450	9 248	2 122	1 043	166	—	—
United Nations police	715	637	135	—	—	—	—
International staff	988	954	182	147	63	38	22
National staff[b]	3 115	2 748	841	807	250	125	20
United Nations Volunteers	353	323	23	15	4	4	1
Temporary positions[c]	19	17	4	4	4	4	4
Government-provided personnel	40	15	7	—	—	—	—
Total	**15 205**	**14 409**	**3 399**	**2 016**	**487**	**171**	**47**
Percentage of authorized strength		95	22	13	3	1	0

[a] Represents highest level of authorized/proposed strength.
[b] Includes National Officers and national General Service staff.
[c] Includes four positions in the Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan for the period from 1 August to 31 December 2011.

The actions to be taken by the General Assembly are set out in section IV of the present report.

I. Mandate and planned results

A. Overall

1. The mandate of the United Nations Mission in the Sudan (UNMIS) was established by the Security Council in its resolution 1590 (2005). In its resolution 1978 (2011), the Council extended the mandate of the Mission until 9 July 2011.

2. In its subsequent resolution 1997 (2011), the Security Council decided to withdraw UNMIS effective 11 July 2011 and called for the complete withdrawal of all uniformed and civilian UNMIS personnel, other than those required for the Mission's liquidation, by 31 August 2011. The Council also requested the transfer of appropriate staff, equipment, supplies, and other assets from UNMIS to the United Nations Mission in South Sudan (UNMISS) and the United Nations Interim Security Force for Abyei (UNISFA), together with appropriate staff and logistics necessary for achieving the new scope of functions to be performed.

3. The General Assembly, in its resolution 65/257 B, appropriated and assessed an amount of $482,460,550 for the maintenance of UNMIS for the six-month period from 1 July to 31 December 2011.

4. The Assembly further authorized the Secretary-General to draw upon the resources approved for UNMIS in entering into commitments for the period from 1 July to 31 December 2011 for UNISFA and any further missions established by the Security Council before 31 December 2011 in support of the implementation of the Comprehensive Peace Agreement. The Assembly also noted the intention of the Security Council, as stated in its resolution 1978 (2011), to establish a successor mission to UNMIS, and authorized the Secretary-General to draw upon the resources approved for UNMIS in entering into commitments for a successor mission for the period from 1 July to 31 December 2011.

5. The Security Council, in its resolutions 1990 (2011) and 1996 (2011), decided to establish UNISFA and UNMISS, respectively. Accordingly, pursuant to authorization granted by the General Assembly in its resolution 65/257 B on the financing of UNMIS, commitment authorities were provided for the deployment of UNMISS and UNISFA in the amount of $277,915,150 and $93,452,600, respectively, with the balance of appropriation in the amount of $111,092,800 utilized for the withdrawal of UNMIS. Of the amount of $482,460,550 assessed by the Assembly upon Member States in resolution 65/257 B, the amount of $137,532,000 is to be applied to the Special Account for UNMIS, the amount of $277,915,150 is to be applied to the Special Account for UNMISS, and the balance, in the amount of $67,013,400, is to be applied to the Special Account for UNISFA.

6. The revised budget for UNMIS takes into account the actual deployment of personnel as at 1 July 2011 and reflects requirements for the repatriation or phased transfer to UNMISS of 467 military observers, 9,248 military contingent personnel and 637 United Nations police officers; repatriation to their home countries, transfer to UNMISS and UNISFA or separation of 957 international staff, 323 United Nations Volunteers and 15 Government-provided personnel; and the transfer to UNMISS or separation of 2,762 national staff, inclusive of temporary positions.

7. The revised resource requirements of UNMIS for the 2011/12 period have been linked to the Mission's objective to accomplish effective and efficient

withdrawal and administrative liquidation by 31 December 2011, as reflected in the results-based support component frameworks. The human resources of the Mission in terms of number of personnel have been attributed to the withdrawal and administrative liquidation of the Mission.

B. Planning assumptions

8. The main objective of UNMIS during the period from 11 July to 31 December 2011 is the effective and efficient logistical, administrative and security support to the withdrawal and administrative liquidation of the Mission by 31 December 2011. The withdrawal and liquidation plan encompasses: (a) conclusion of substantive programmes and closure of substantive offices; (b) repatriation or transfer to UNMISS of military personnel and contingent-owned equipment deployed in the Mission area; (c) finalization, in consultation with United Nations Headquarters, of the assets disposal plan, including the destination of non-expendable and expendable assets to be transferred to other peacekeeping operations; (d) implementation of administrative actions in support of staff repatriation, transfer to UNMISS and UNISFA, or separation, as applicable, and management of personnel during the withdrawal and administrative liquidation period; (e) restoration to their original condition and handover of premises; and (f) completion of administrative, procurement, personnel and financial actions, and residual liquidation tasks.

9. Owing to the withdrawal of the Mission, activities under the substantive component of UNMIS related to the consolidation of gains realized in the implementation of the Comprehensive Peace Agreement; implementation of the post-referendum arrangements in the North and South pertaining to the finalization of the delineation and demarcation of the 1 January 1956 border; implementation of the Abyei Protocol; and stabilization of the political situation in the three areas; were handed over as appropriate to the United Nations country team in the Sudan, the United Nations country team in South Sudan and the Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan.

10. The Mission is headed by the former Principal Deputy Special Representative of the Secretary-General at the Assistant Secretary-General level, who will provide overall leadership for the withdrawal and administrative liquidation of the Mission by 31 December 2011 and serves as the principal focal point in matters related to cooperation and collaboration with the Government of the Sudan for the facilitation and completion of the administrative liquidation of the Mission.

11. A public information team, comprising one Public Information Officer (P-5) serving as a spokesperson and two Public Information national staff, was retained to support the withdrawal and administrative liquidation of the Mission through conducting a general awareness campaign and resolving media management issues. The Deputy Special Representative of the Secretary-General at the Assistant Secretary-General level and the staff of his immediate Office, comprising one international staff member at the P-3 level, one staff member in the Field Service category, and one national staff member, provided support to the withdrawal and administrative liquidation of the Mission until 30 September 2011 through overseeing the transition of the Resident Coordinator/Humanitarian Coordinator function and the closure of the remaining elements of the disarmament, demobilization and reintegration programme. A legal team, comprising one Legal

Officer (P-4) and two National Professional Officers, will remain to address open legal issues. Command and control of the liquidation of troop-contributing country elements was assigned to the former UNMIS Deputy Force Commander (D-1), who, with a small cadre of staff officers, oversaw the management and drawdown of troops.

12. With the cessation of mandated substantive and military operations on 9 July 2011, 5,007 military contingent personnel and 378 United Nations police officers were transferred to UNMISS effective 1 August 2011. Of the remaining uniformed personnel, 3,198 military contingent personnel and 259 United Nations police officers were repatriated by 31 August 2011. A rear party of 1,043 military contingent personnel was tasked with the orderly repatriation of contingent-owned equipment during the withdrawal and administrative liquidation period. Of the rear party personnel, 877 were repatriated by 30 September 2011, and 166 are scheduled for repatriation by 31 October 2011. A total of 467 military observers and 15 Government-provided personnel were repatriated by 31 August 2011. The Mission will transfer, separate or repatriate, as applicable, 957 international staff, 2,762 national staff and 323 United Nations Volunteers, inclusive of temporary positions.

13. In a letter dated 27 July 2011 addressed to the President of the Security Council (S/2011/474), the Secretary-General advised the Council of his intention to appoint his Special Envoy for the Sudan and South Sudan as of 1 August 2011 to assist the parties in reaching a negotiated settlement to residual and post-secession issues related to the Comprehensive Peace Agreement. The President of the Security Council, in his letter dated 29 July 2011 (S/2011/475), informed the Secretary-General that the members of the Council had taken note of his decision.

C. Results-based-budgeting frameworks

Withdrawal and administrative liquidation

14. During the period from 11 July to 31 December 2011, the Mission will support the phased withdrawal or transfer to UNMISS of military contingent and United Nations police personnel, the repatriation to their home countries or transfer to UNMISS and UNISFA of international staff, the transfer or separation of national staff, gradual drawdown, decommissioning and disposal of the Mission's assets in accordance with the Financial Regulations and Rules of the United Nations, and the completion of administrative liquidation.

Expected accomplishment	*Indicators of achievement*
1.1 Provision of effective and efficient logistical, administrative and security support to the withdrawal and administrative liquidation of the Mission	1.1.1 Issuance of handover/takeover certificates by property owners, indemnifying UNMIS from environmental and other liabilities in all locations
	1.1.2 Completion of the disposal of assets and expendable property

Outputs

Military, police and civilian personnel

- Administration of an average of 235 international staff, 798 national staff, 62 United Nations Volunteers and 3 staff members in temporary positions
- Transfer or repatriation of 9,248 military contingent personnel, 467 military observers, 637 United Nations police officers and 15 Government-provided personnel
- Verification, monitoring and inspection of contingent-owned equipment and self-sustainment for military and police personnel
- Repatriation, transfer or separation of 957 international staff, 2,762 national staff and 323 United Nations Volunteers, inclusive of staff in temporary positions

Facilities and infrastructure

- Maintenance and restoration of premises to their original condition, followed by handover to property owners, including Mission headquarters in Khartoum, five team sites, three sector headquarters, and the El Obeid Logistics Base
- Supervision of sanitation and maintenance services in 9 locations, including sewage, cleaning, ground maintenance, pest control and fumigation, garbage and waste, hazardous material, medical waste, building and facilities maintenance and repair, laundry, and firefighting
- Operation, maintenance, and gradual decommissioning and repatriation of 15 United Nations-owned and 8 contingent-owned water purification plants in the Mission area
- Operation and maintenance of 27 main generators in four locations
- Storage and supply of 1.8 million litres of petrol, oil and lubricants for generators

Ground transportation

- Operation and maintenance of vehicles assigned to the liquidation team
- Operation of a daily shuttle service until 31 October 2011
- Management and storage of 0.5 million litres of petrol, oil and lubricants
- Disposal or transfer of 3,355 vehicles

Air transportation

- Operation and maintenance of 3 fixed-wing and 5 rotary-wing aircraft in the Mission area
- Provision of 0.5 million litres of fuel, oil and lubricants for the full aircraft fleet for the month ending 31 July 2011, 2 fixed-wing aircraft ending 31 August 2011, 1 fixed-wing aircraft ending 31 October 2011, and 5 rotary-wing aircraft for the period ending 30 September 2011

Naval transportation

- Operation and maintenance of 9 patrol boats and 1 marine vessel during July 2011
- Provision of 6,103 litres of fuel, oil and lubricants for 9 patrol boats and 1 marine vessel

Communications

- Provision of voice, secure data, fax, video and data communications
- Gradual drawdown and dismantling of one 7.3 metre satellite hub station and 24 VSAT stations
- Gradual drawdown and dismantling of 35 telephone exchanges and 23 microwave links
- Decommissioning of one disaster recovery and business continuity mobile deployable telecommunications system

Information technology

- Providing access to Lotus Notes, Internet and the standard United Nations information and communications technology applications
- Maintenance, drawdown and dismantling of the Mission's local area networks at 19 locations with a maximum of 1,184 users
- Gradual withdrawal, preparation for shipment and handover to other United Nations entities or write-off of 10,446 information technology items

Medical

- Operation and maintenance of 3 United Nations-owned level-I clinics, 2 contingent-owned level-II hospitals and 1 contingent-owned level-III hospital for all Mission personnel assigned to the liquidation team, staff of other United Nations agencies and the local civil population, in emergency cases
- Maintenance and provision of Mission-wide land and air evacuation arrangements for all UNMIS staff, including to level-IV medical facilities
- Operation and maintenance of voluntary, confidential HIV counselling and testing facilities for all Mission personnel until 31 October 2011
- Drawdown of medical facilities and services during the administrative liquidation period

Security

- Provision of security 24 hours a day, 7 days a week, to Mission facilities and liquidation personnel
- Investigation of incidents/accidents involving United Nations personnel and property

Administrative liquidation

- Restoration of all sites occupied by the Mission to their original condition in line with environmental standards
- Disposal of an estimated 38,279 items of non-expendable assets with an estimated depreciated value of $129.9 million and an estimated 27.9 million items of expendable assets with an estimated inventory value of $90.2 million through transfer, largely to other peacekeeping missions, donation to host Governments, commercial disposal through sale, and the destruction of unusable items
- Reconciliation and closure of 4 bank accounts
- Settlement of vendor and supplier invoices and closure of 54 contracts

External factors

Host Governments will cooperate in the administrative liquidation process, including through the provision of safe access to all locations, transfer of United Nations-owned equipment and the granting of appropriate permission for the sale or disposal of assets locally, when required

Table 1
Human resources

	Deployment schedule									
	USG/ASG	*D-2/D-1*	*P-5/P-4*	*P-3/P-2*	*Field Service*	***Subtotal***	*National staff*[a]	*United Nations Volunteers*	*Temporary positions*[b]	***Total***
Approved posts/ positions 2011/12	3	25	176	229	555	**988**	3 115	353	19	**4 475**
Proposed average incumbency[c]	2	5	36	44	148	**235**	798	62	6	**1 102**

[a] Includes National Officers and national General Service staff.
[b] Funded under general temporary assistance.
[c] For the period from 1 July to 31 December 2011.

15. During the administrative liquidation period, logistical, administrative and security services will be provided to achieve the withdrawal and administrative liquidation of the Mission by 31 December 2011. The range of activities comprises all support services, including: personnel administration, maintenance of health-care arrangements; maintenance of office and accommodation facilities and their handover, with due regard to environmental concerns, to appropriate entities; information technology and communications; air and surface transport operations; supply operations; and provision of security services Mission-wide. The Mission will dispose of its assets in accordance with the Financial Regulations and Rules of the United Nations, subject to the cooperation of the host authorities.

Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan

16. Following the exchange of letters between the Secretary-General and the President of the Security Council, the former appointed his Special Envoy and established the Office of the Special Envoy effective 1 August 2011 with the objective of encouraging the establishment of peaceful and neighbourly relations between the Sudan and South Sudan and supporting the parties in the Sudan on remaining issues.

17. During the period from 1 August to 31 December 2011, the Office of the Special Envoy will coordinate with the African Union High-level Implementation Panel facilitation process and engage independently with relevant parties with a special focus on the finalization of outstanding and post-Comprehensive Peace Agreement negotiations in accordance with the new terms of engagement.

18. With regard to the implementation of the 28 June 2011 Agreement on Southern Kordofan, the Office will facilitate dialogue between the parties and lead United Nations efforts to support the establishment of political and security arrangements to end the conflict in Southern Kordofan and Blue Nile States. The Office will also support the

implementation of the 29 June 2011 agreement, and subsequent agreements, on border management, and will undertake strategic coordination with UNISFA, the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and UNMISS to facilitate a common approach in relation to issues of peace and security in the Sudan and South Sudan.

Table 2
Human resources: Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan

	International staff								
Civilian staff	*USG/ASG*	*D-2/D-1*	*P-5/P-4*	*P-3/P-2*	*Field Service*	***Subtotal***	*National staff*	*United Nations Volunteers*	***Total***
Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan	1	1	2	—	—	4	—	—	4
Approved temporary positions 2011/12	—	—	—	—	—	—	—	—	—
Proposed temporary positions 2011/12	1	1	2	—	—	4	—	—	4

19. The Office is headed by the Special Envoy of the Secretary General at the Under-Secretary-General level who will assist the parties to reach a negotiated settlement to remaining Comprehensive Peace Agreement and post-secession issues, will advise the Secretary-General on issues related to the relationship between the Sudan and South Sudan, and will represent the United Nations and the Secretary-General at high-level meetings and negotiations between the parties. In carrying out these functions, the Special Envoy will liaise closely with the Special Representative of the Secretary-General for South Sudan, the African Union-United Nations Joint Special Representative for Darfur, the head of mission of UNISFA, and the African Union High-level Implementation Panel. The Special Envoy is based in New York and will travel frequently to the Sudan and to Addis Ababa and other capitals in the region, as required.

20. The Special Envoy is supported in his work by a Senior Adviser (D-1) and two Political Affairs Officers (P-4) based in Addis Ababa. The incumbent of the Senior Adviser position reports to the Special Envoy and serves as his senior representative, provides analysis of relevant issues, directs the work of the Political Affairs Officers and the relationship of the Office with primary interlocutors, and manages relations with relevant United Nations missions through liaison and information sharing. One of the Political Affairs Officers engages with Sudanese interlocutors, UNAMID and UNISFA, and provides regular and timely analysis on the Sudan, including its relations with South Sudan and internal conflict. The other Political Affairs Officer will work on issues related to South Sudan, including engagement with relevant interlocutors and with UNMISS and UNISFA, and will provide regular and timely analysis on South Sudan and on issues with implications for its relationship with the Sudan.

21. The Special Envoy of the Secretary-General and his team will be supported by the Department of Peacekeeping Operations in New York, the United Nations Office to the African Union in Addis Ababa, UNAMID in Khartoum, UNMISS in Juba and UNMIS, as required during its liquidation.

II. Financial resources

A. Overall

(Thousands of United States dollars. Budget year is from 1 July to 30 June.)

Category	Apportionment (2010/11)[a]	Cost estimates (2011/12)[b]	Revised estimate (2011/12)	Variance	
				Amount	Percentage
	(1)	(2)	(3)	(4)=(3)-(2)	(5)=(4)÷(2)
Military and police personnel					
Military observers	26 483.7	26 192.7	2 813.2	(23 379.5)	(89.3)
Military contingents	258 181.0	252 204.2	42 590.3	(209 613.9)	(83.1)
United Nations police	36 983.8	35 600.5	3 954.1	(31 646.4)	(88.9)
Formed police units	—	—	—	—	—
Subtotal	**321 648.5**	**313 997.4**	**49 357.6**	**(264 639.8)**	**(84.3)**
Civilian personnel					
International staff	142 713.5	161 696.7	26 490.9	(135 205.8)	(83.6)
National staff	67 887.4	72 978.8	18 378.8	(54 600.0)	(74.8)
United Nations Volunteers	18 565.5	12 532.6	1 858.1	(10 674.5)	(85.2)
General temporary assistance	16 499.6	1 091.4	534.6	(556.8)	(51.0)
Subtotal	**245 666.0**	**248 299.5**	**47 262.4**	**(201 037.1)**	**(81.0)**
Operational costs					
Government-provided personnel	1 779.7	1 622.5	122.8	(1 499.7)	(92.4)
Civilian electoral observers	—	—	—	—	—
Consultants	590.4	451.0	—	(451.0)	(100.0)
Official travel	6 626.3	5 184.8	1 165.5	(4 019.3)	(77.5)
Facilities and infrastructure	91 008.4	76 310.5	8 918.9	(67 391.6)	(88.3)
Ground transportation	20 021.2	17 893.6	1 671.9	(16 221.7)	(90.7)
Air transportation	182 102.6	158 432.3	15 562.6	(142 869.7)	(90.2)
Naval transportation	101.7	76.1	8.9	(67.2)	(88.3)
Communications	26 604.2	19 384.8	1 573.0	(17 811.8)	(91.9)
Information technology	16 863.7	14 431.1	736.2	(13 694.9)	(94.9)
Medical	9 851.4	9 864.6	958.4	(8 906.2)	(90.3)
Special equipment	2 753.5	2 602.9	568.1	(2 034.8)	(78.2)
Other supplies, services and equipment	81 408.7	77 525.8	9 625.7	(67 900.1)	(87.6)
Quick-impact projects	1 000.0	1 000.0	—	(1 000.0)	(100.0)
Subtotal	**440 711.8**	**384 780.0**	**40 912.0**	**(343 868.0)**	**(89.4)**
Gross requirements	**1 008 026.3**	**947 076.9**	**137 532.0**	**(809 544.9)**	**(85.5)**
Staff assessment income	25 718.4	27 431.6	3 477.7	(23 953.9)	(87.3)
Net requirements	**982 307.9**	**919 645.3**	**134 054.3**	**(785 591.0)**	**(85.4)**

Category	Apportionment (2010/11)[a]	Cost estimates (2011/12)[b]	Revised estimate (2011/12)	Variance	
				Amount	Percentage
	(1)	(2)	(3)	(4) = (3)-(2)	(5) = (4)÷(2)
Voluntary contributions in kind (budgeted)	—	—	—	—	—
Total net requirements	**1 008 026.3**	**947 076.9**	**137 532.0**	**(809 544.9)**	**(85.5)**

[a] Includes resources approved for the referendum in the Sudan in General Assembly resolution 65/257 of $70,026,300 gross ($69,034,500 net).

[b] Cost estimates contained in the report of the Secretary-General on the budget for UNMIS (A/65/731).

B. Vacancy factors

22. The cost estimates for the period from 1 July 2011 to 30 June 2012 are based on the planned withdrawal schedule of uniformed and civilian personnel. Accordingly, no vacancy factors were applied in the computation of the related resource requirements.

C. Contingent-owned equipment: major equipment and self-sustainment

23. Requirements for the period from 1 July 2011 to 30 June 2012 take into account the withdrawal schedule of military contingent personnel and are based on standard reimbursement rates for major equipment (wet lease) and self-sustainment in the total amount of $8,677,800, as follows:

(Thousands of United States dollars)

Category	Estimated amount
Major equipment	
Military contingents	4 643.6
Formed police units	—
Subtotal	**4 643.6**
Self-sustainment	
Facilities and infrastructure	1 834.9
Communications	794.6
Medical	836.6
Special equipment	568.1
Subtotal	**4 034.2**
Total	**8 677.8**

Mission factors	Percentage	Effective date	Last review date
A. Applicable to Mission area			
Extreme environmental condition factor	3.8	24 March 2005	—
Intensified operational condition factor	2.6	24 March 2005	—
Hostile action/forced abandonment factor	3.3	24 March 2005	—
B. Applicable to home country			
Incremental transportation factor	0-3.0		

D. Mine detection and mine-clearing services

24. The estimated resource requirements for mine detection and mine-clearing services for the period from 1 July 2011 to 30 June 2012 are as follows:

(Thousands of United States dollars)

Category	*Estimated value*
Special equipment	
Mine detection and mine-clearing equipment	—
Other supplies, services and equipment	
Mine detection and mine-clearing services	1 447.1
Mine detection and mine-clearing supplies	—

25. Provision is made for the withdrawal and liquidation of the mine detection and mine-clearing services programme including: (a) asset disposal or redistribution; (b) file administration, back-up, storage and shipment; (c) handover of office facilities and parking and storage areas; and (d) payment of outstanding invoices, closure of accounts and preparation of final reports.

III. Analysis of variances*

26. The variances presented in this section are caused by the change in the mandate of UNMIS and reflect the withdrawal and administrative liquidation of the Mission.

	Variance	
Military observers	($23,379.5)	(89.3%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

27. The decrease in requirements is owing to the transfer or repatriation of 467 military observers by 31 August 2011 as a result of the mandated withdrawal and administrative liquidation of the Mission. Provisions in the amount of $2,813,200 are made for mission subsistence allowance and repatriation costs for military observers during the month of July 2011.

	Variance	
Military contingents	($209,613.9)	(83.1%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

28. The decrease in requirements is owing to the repatriation by 31 August 2011 of 4,241 and the phased transfer to UNMISS of 5,007 military contingent personnel, with the exception of the remaining rear party, comprising 1,043 personnel, which is scheduled for phased repatriation by 31 October 2011. Provisions in the amount of $42,590,300 are made for military contingent standard troop costs paid to troop-

* Resource variance amounts are expressed in thousands of United States dollars. Analysis is provided for variances of at least plus or minus 5 per cent or $100,000.

contributing governments and repatriation costs, as well as contingent-owned equipment costs.

	Variance	
United Nations police	**($31,646.4)**	**(88.9%)**

- **Mandate: withdrawal and administrative liquidation of the Mission**

29. The decrease in requirements is owing to the transfer to UNMISS of 378 and repatriation of 259 United Nations police officers by 31 August 2011. Provisions in the amount of $3,954,100 are made for mission subsistence allowance and repatriation costs.

	Variance	
International staff	**($135,205.8)**	**(83.6%)**

- **Mandate: withdrawal and administrative liquidation of the Mission**

30. The decrease in requirements is owing to the transfer or repatriation of international staff as a result of the mandated withdrawal and administrative liquidation of the Mission. Provisions in the amount of $26,490,900 include staff salaries for an average of 235 international staff, and separation costs, including termination indemnities, during the period from 1 July to 31 December 2011.

	Variance	
National staff	**($54,600.0)**	**(74.8%)**

- **Mandate: withdrawal and administrative liquidation of the Mission**

31. The decrease in requirements is owing to the transfer or separation of national staff by 31 July 2011 as a result of the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $18,378,800 are made for staff salaries for an average of 798 national staff and separation costs during the period from 1 July to 31 December 2011.

	Variance	
United Nations Volunteers	**($10,674.5)**	**(85.2%)**

- **Mandate: withdrawal and administrative liquidation of the Mission**

32. The decrease in requirements is owing to transfer and repatriation of United Nations Volunteers following the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $1,858,100 include living allowances and repatriation costs for 323 volunteers during the period from 1 July to 31 December 2011.

	Variance	
General temporary special assistance	($556.8)	(51.0%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

33. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $534,600 include salaries and separation costs for 17 personnel, and the salaries and common staff costs for four international staff in the Office of the Special Envoy of the Secretary-General for the Sudan and South Sudan for the period from 1 August to 31 December 2011.

	Variance	
Government-provided personnel	($1,499.7)	(94.3%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

34. The decrease in requirements is owing to the repatriation of 15 Government-provided personnel by 31 August 2011 as a result of the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $122,800 are made for mission subsistence allowance and repatriation costs.

	Variance	
Consultants	($451.0)	(100.0%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

35. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission, as no provisions are being made for consultants.

	Variance	
Official travel	($4,019.3)	(77.5%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

36. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $1,165,500 are made for travel required during the withdrawal and administrative liquidation period.

	Variance	
Facilities and infrastructure	($67,391.6)	(88.3%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

37. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $8,918,900 include requirements for the dismantling of structures, restoration to original condition, clean-up and handover of premises and other sites to authorities and owners as applicable during the withdrawal and administrative liquidation period.

	Variance	
Ground transportation	($16,221.7)	(90.7%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

38. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $1,671,900 include the rental of vehicles required for the transfer and repatriation of staff and for the transport of those supporting the liquidation process.

	Variance	
Air transportation	($142,869.7)	(90.2%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

39. The decrease in requirements for fixed-wing and rotary-wing aircraft is a result of the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $15,562,600 include the costs of two fixed-wing aircraft for the period ending 31 August 2011, one fixed-wing aircraft for the period ending 31 October 2011, and five rotary-wing aircraft for the period ending 30 September 2011. The requirements also include a provision for up to one month of costs for the existing fleet of 11 fixed-wing and 30 rotary-wing aircraft during the month of July 2011.

	Variance	
Naval transportation	($67.2)	(88.3%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

40. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provision in the amount of $8,900 are made for fuel costs for nine boats and one marine vessel.

	Variance	
Communications	($17,811.8)	(91.9%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

41. The reduced requirement is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $1,573,000 include costs of commercial and communications support services provided during the withdrawal and liquidation period.

	Variance	
Information technology	($13,694.9)	(94.9%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

42. The reduced requirement is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $736,200 cover information technology software and services provided during the withdrawal and liquidation period.

	Variance	
Medical	($8,906.2)	(90.3%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

43. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $958,400 include costs for medical services and supplies provided during the withdrawal and administrative liquidation period.

	Variance	
Special equipment	($2,034.8)	(78.2%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

44. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $568,100 are made for the reimbursement of troop-contributing governments for the self-sustainment of contingent-owned equipment.

	Variance	
Other supplies, services and equipment	($67,900.1)	(87.6%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

45. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. Provisions in the amount of $9,625,700 include, primarily, freight costs required during the administrative liquidation period and estimated third-party claims.

	Variance	
Quick-impact projects	($1,000.0)	(100.0%)

- **Mandate: withdrawal and administrative liquidation of the Mission**

46. The decrease in requirements is owing to the withdrawal and administrative liquidation of the Mission. There are no requirements for quick-impact projects.

IV. Actions to be taken by the General Assembly

47. **The actions to be taken by the General Assembly in connection with the financing of UNMIS are:**

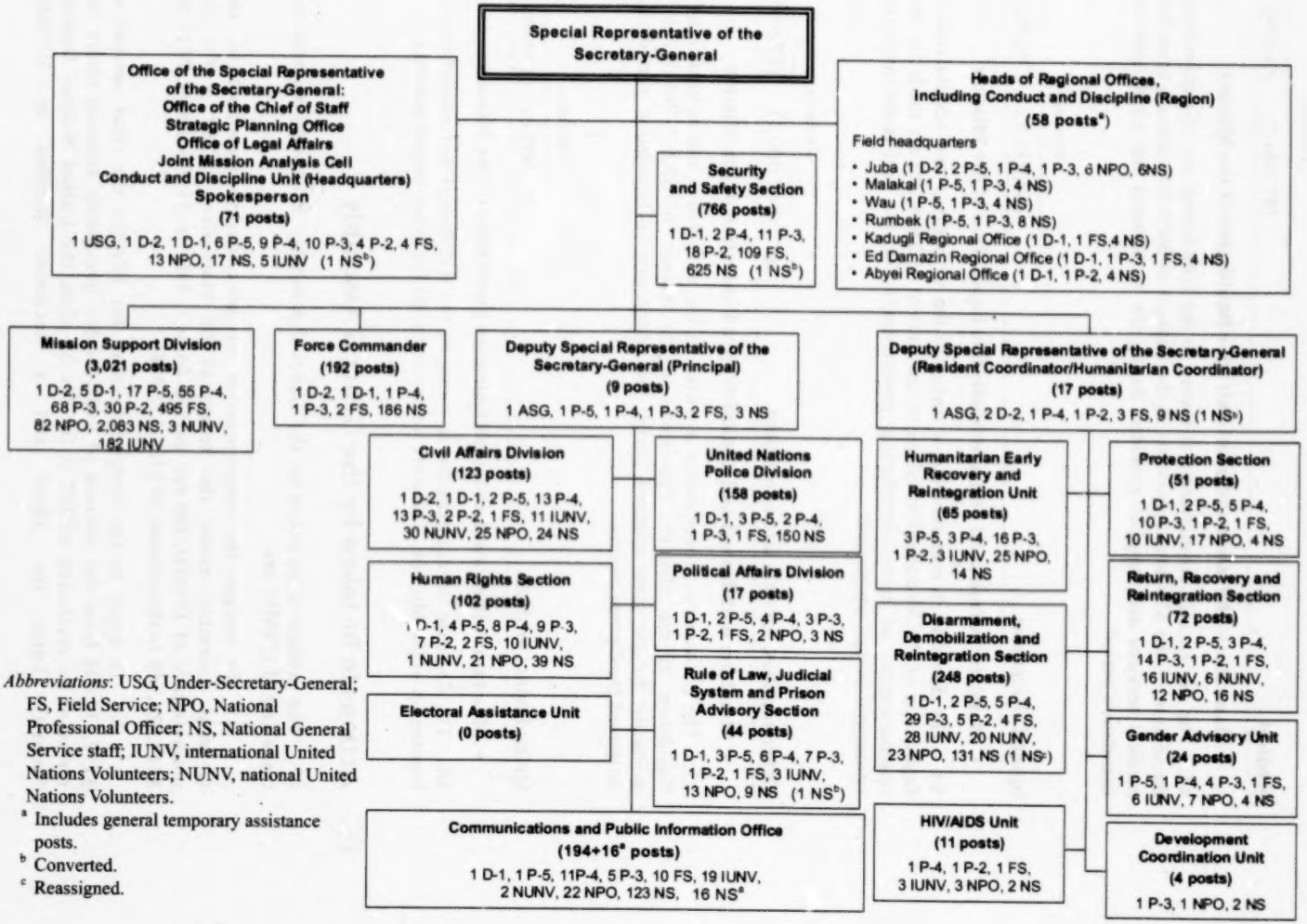
(a) **To reduce the appropriation of $482,460,550 approved by the General Assembly under the terms of its resolution 65/257 B for the maintenance of UNMIS for the period from 1 July to 31 December 2011 by $344,928,550 to the amount of $137,532,000;**

(b) **To apply to the Special Account for UNMIS the total amount of $137,532,000 from the amount of $482,460,550 previously assessed under the terms of its resolution 65/257 B for the Mission, the United Nations Interim Security Force for Abyei and a successor mission to UNMIS.**

Annex II

Organization charts

A. Substantive offices


Special Representative of the Secretary-General
Office of the Special Representative of the Secretary-General:
Office of the Chief of Staff
Strategic Planning Office
Office of Legal Affairs
Joint Mission Analysis Cell
Conduct and Discipline Unit (Headquarters)
Spokesperson
(71 posts)
1 USG, 1 D-2, 1 D-1, 6 P-5, 9 P-4, 10 P-3, 4 P-2, 4 FS, 13 NPO, 17 NS, 5 IUNV (1 NS[b])
Security and Safety Section
(766 posts)
1 D-1, 2 P-4, 11 P-3, 18 P-2, 109 FS, 625 NS (1 NS[b])
Heads of Regional Offices, including Conduct and Discipline (Region)
(58 posts[a])
Field headquarters
• Juba (1 D-2, 2 P-5, 1 P-4, 1 P-3, 6 NPO, 6NS)
• Malakal (1 P-5, 1 P-3, 4 NS)
• Wau (1 P-5, 1 P-3, 4 NS)
• Rumbek (1 P-5, 1 P-3, 8 NS)
• Kadugli Regional Office (1 D-1, 1 FS,4 NS)
• Ed Damazin Regional Office (1 D-1, 1 P-3, 1 FS, 4 NS)
• Abyei Regional Office (1 D-1, 1 P-2, 4 NS)
Mission Support Division
(3,021 posts)
1 D-2, 5 D-1, 17 P-5, 55 P-4, 68 P-3, 30 P-2, 495 FS, 82 NPO, 2,063 NS, 3 NUNV, 182 IUNV
Force Commander
(192 posts)
1 D-2, 1 D-1, 1 P-4, 1 P-3, 2 FS, 186 NS
Deputy Special Representative of the Secretary-General (Principal)
(9 posts)
1 ASG, 1 P-5, 1 P-4, 1 P-3, 2 FS, 3 NS
Deputy Special Representative of the Secretary-General (Resident Coordinator/Humanitarian Coordinator)
(17 posts)
1 ASG, 2 D-2, 1 P-4, 1 P-2, 3 FS, 9 NS (1 NS[b])
Civil Affairs Division
(123 posts)
1 D-2, 1 D-1, 2 P-5, 13 P-4, 13 P-3, 2 P-2, 1 FS, 11 IUNV, 30 NUNV, 25 NPO, 24 NS
United Nations Police Division
(158 posts)
1 D-1, 3 P-5, 2 P-4, 1 P-3, 1 FS, 150 NS
Human Rights Section
(102 posts)
1 D-1, 4 P-5, 8 P-4, 9 P-3, 7 P-2, 2 FS, 10 IUNV, 1 NUNV, 21 NPO, 39 NS
Political Affairs Division
(17 posts)
1 D-1, 2 P-5, 4 P-4, 3 P-3, 1 P-2, 1 FS, 2 NPO, 3 NS
Electoral Assistance Unit
(0 posts)
Rule of Law, Judicial System and Prison Advisory Section
(44 posts)
1 D-1, 3 P-5, 6 P-4, 7 P-3, 1 P-2, 1 FS, 3 IUNV, 13 NPO, 9 NS (1 NS[b])
Communications and Public Information Office
(194+16[a] posts)
1 D-1, 1 P-5, 11P-4, 5 P-3, 10 FS, 19 IUNV, 2 NUNV, 22 NPO, 123 NS, 16 NS[a]
Humanitarian Early Recovery and Reintegration Unit
(65 posts)
3 P-5, 3 P-4, 16 P-3, 1 P-2, 3 IUNV, 25 NPO, 14 NS
Disarmament, Demobilization and Reintegration Section
(248 posts)
1 D-1, 2 P-5, 5 P-4, 29 P-3, 5 P-2, 4 FS, 28 IUNV, 20 NUNV, 23 NPO, 131 NS (1 NS[c])
HIV/AIDS Unit
(11 posts)
1 P-4, 1 P-2, 1 FS, 3 IUNV, 3 NPO, 2 NS
Protection Section
(51 posts)
1 D-1, 2 P-5, 5 P-4, 10 P-3, 1 P-2, 1 FS, 10 IUNV, 17 NPO, 4 NS
Return, Recovery and Reintegration Section
(72 posts)
1 D-1, 2 P-5, 3 P-4, 14 P-3, 1 P-2, 1 FS, 16 IUNV, 6 NUNV, 12 NPO, 16 NS
Gender Advisory Unit
(24 posts)
1 P-5, 1 P-4, 4 P-3, 1 FS, 6 IUNV, 7 NPO, 4 NS
Development Coordination Unit
(4 posts)
1 P-3, 1 NPO, 2 NS

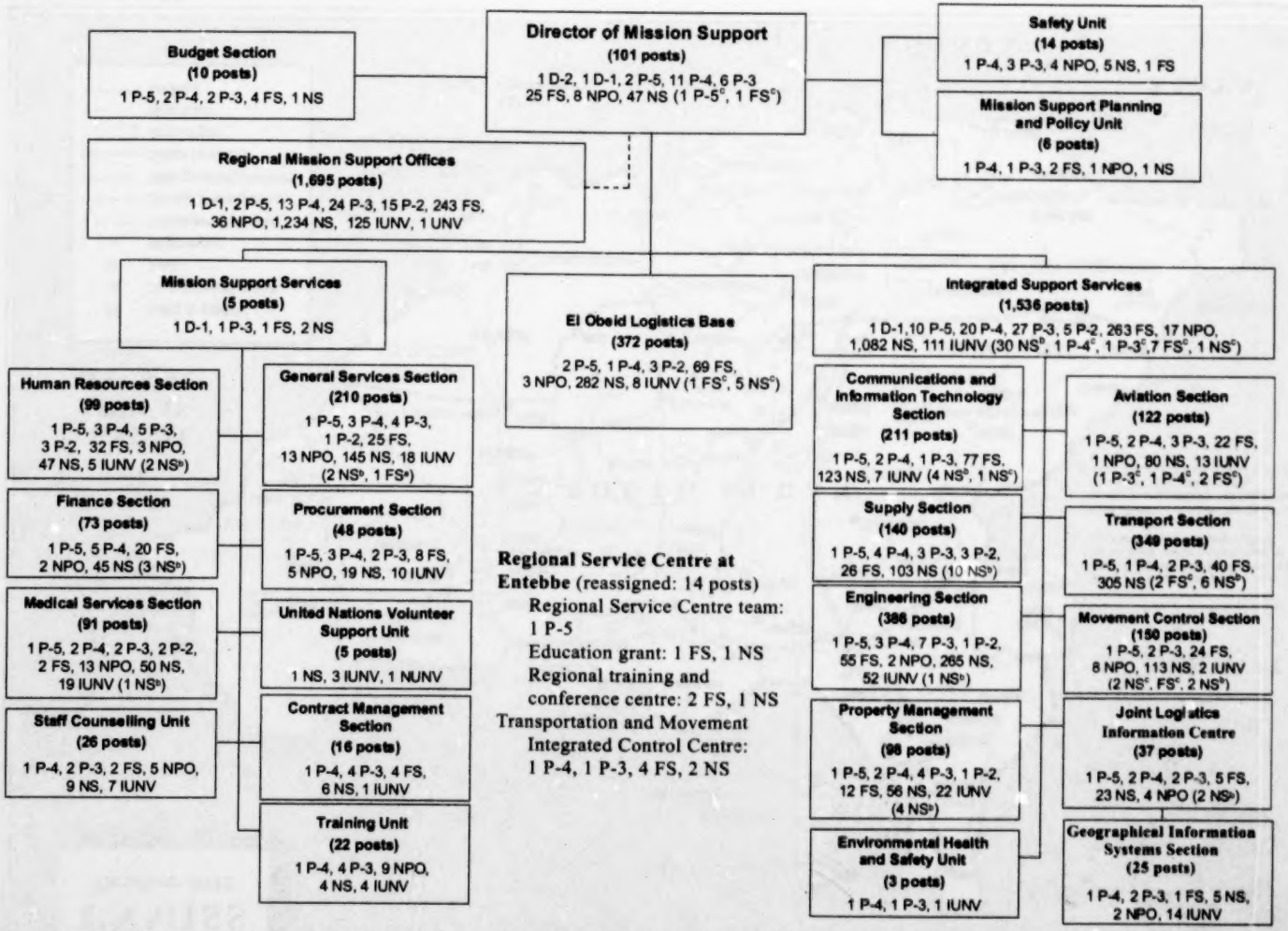
Abbreviations: USG, Under-Secretary-General; FS, Field Service; NPO, National Professional Officer; NS, National General Service staff; IUNV, international United Nations Volunteers; NUNV, national United Nations Volunteers.

[a] Includes general temporary assistance posts.

[b] Converted.

[c] Reassigned.

B. Mission Support Division

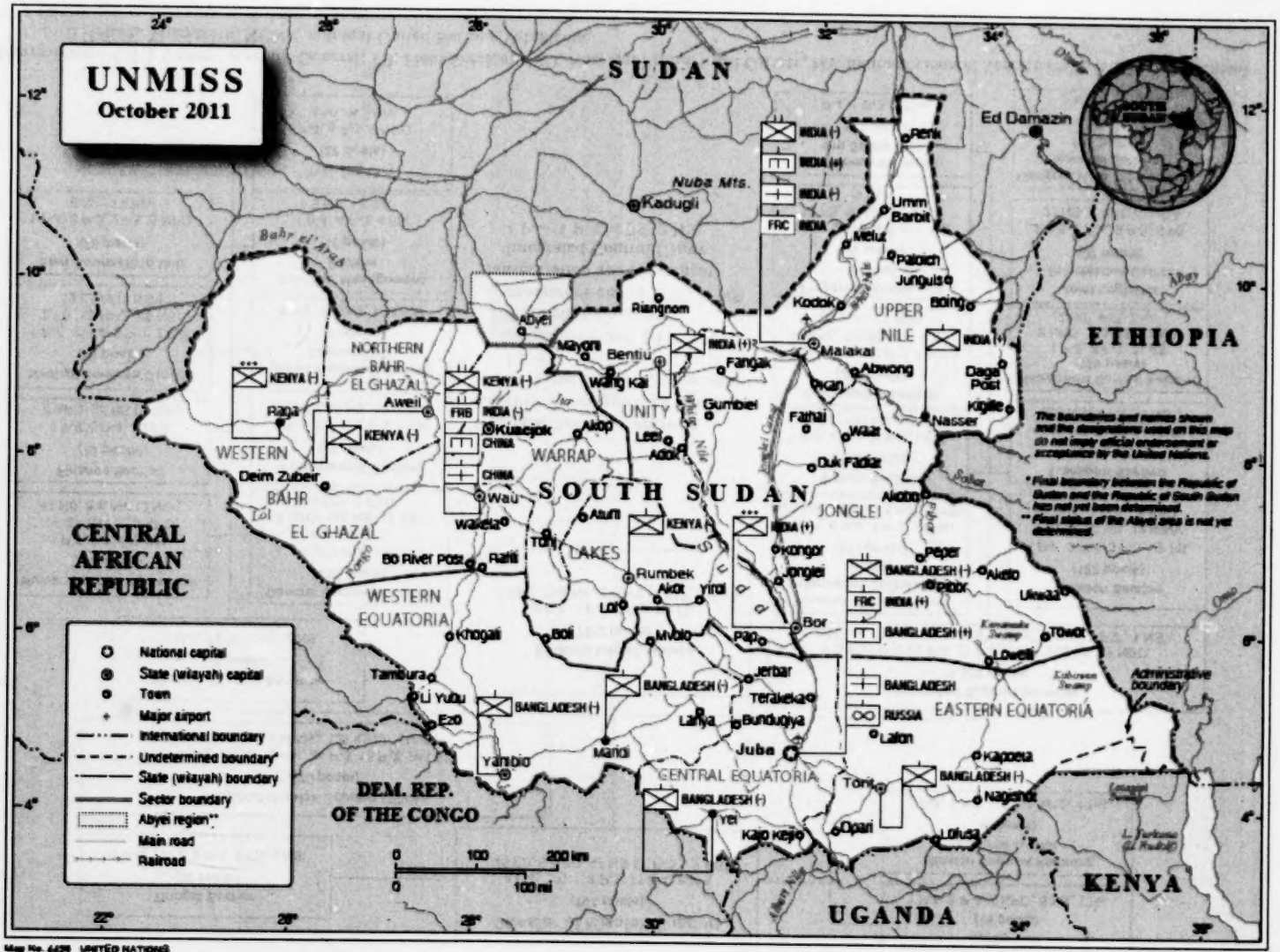

Budget Section
(10 posts)
1 P-5, 2 P-4, 2 P-3, 4 FS, 1 NS
Director of Mission Support
(101 posts)
1 D-2, 1 D-1, 2 P-5, 11 P-4, 6 P-3
25 FS, 8 NPO, 47 NS (1 P-5[c], 1 FS[c])
Safety Unit
(14 posts)
1 P-4, 3 P-3, 4 NPO, 5 NS, 1 FS
Mission Support Planning and Policy Unit
(6 posts)
1 P-4, 1 P-3, 2 FS, 1 NPO, 1 NS
Regional Mission Support Offices
(1,695 posts)
1 D-1, 2 P-5, 13 P-4, 24 P-3, 15 P-2, 243 FS,
36 NPO, 1,234 NS, 125 IUNV, 1 UNV
Mission Support Services
(5 posts)
1 D-1, 1 P-3, 1 FS, 2 NS
El Obeid Logistics Base
(372 posts)
2 P-5, 1 P-4, 3 P-2, 69 FS,
3 NPO, 282 NS, 8 IUNV (1 FS[c], 5 NS[c])
Integrated Support Services
(1,536 posts)
1 D-1,10 P-5, 20 P-4, 27 P-3, 5 P-2, 263 FS, 17 NPO,
1,082 NS, 111 IUNV (30 NS[b], 1 P-4[c], 1 P-3[c],7 FS[c], 1 NS[c])
Human Resources Section
(99 posts)
1 P-5, 3 P-4, 5 P-3,
3 P-2, 32 FS, 3 NPO,
47 NS, 5 IUNV (2 NS[b])
General Services Section
(210 posts)
1 P-5, 3 P-4, 4 P-3,
1 P-2, 25 FS,
13 NPO, 145 NS, 18 IUNV
(2 NS[b], 1 FS[a])
Finance Section
(73 posts)
1 P-5, 5 P-4, 20 FS,
2 NPO, 45 NS (3 NS[b])
Procurement Section
(48 posts)
1 P-5, 3 P-4, 2 P-3, 8 FS,
5 NPO, 19 NS, 10 IUNV
Medical Services Section
(91 posts)
1 P-5, 2 P-4, 2 P-3, 2 P-2,
2 FS, 13 NPO, 50 NS,
19 IUNV (1 NS[b])
United Nations Volunteer Support Unit
(5 posts)
1 NS, 3 IUNV, 1 NUNV
Staff Counselling Unit
(26 posts)
1 P-4, 2 P-3, 2 FS, 5 NPO,
9 NS, 7 IUNV
Contract Management Section
(16 posts)
1 P-4, 4 P-3, 4 FS,
6 NS, 1 IUNV
Training Unit
(22 posts)
1 P-4, 4 P-3, 9 NPO,
4 NS, 4 IUNV
Regional Service Centre at Entebbe (reassigned: 14 posts)
Regional Service Centre team: 1 P-5
Education grant: 1 FS, 1 NS
Regional training and conference centre: 2 FS, 1 NS
Transportation and Movement Integrated Control Centre:
1 P-4, 1 P-3, 4 FS, 2 NS
Communications and Information Technology Section
(211 posts)
1 P-5, 2 P-4, 1 P-3, 77 FS,
123 NS, 7 IUNV (4 NS[b], 1 NS[c])
Aviation Section
(122 posts)
1 P-5, 2 P-4, 3 P-3, 22 FS,
1 NPO, 80 NS, 13 IUNV
(1 P-3[c], 1 P-4[c], 2 FS[c])
Supply Section
(140 posts)
1 P-5, 4 P-4, 3 P-3, 3 P-2,
26 FS, 103 NS (10 NS[b])
Transport Section
(349 posts)
1 P-5, 1 P-4, 2 P-3, 40 FS,
305 NS (2 FS[c], 6 NS[c])
Engineering Section
(386 posts)
1 P-5, 3 P-4, 7 P-3, 1 P-2,
55 FS, 2 NPO, 265 NS,
52 IUNV (1 NS[b])
Movement Control Section
(150 posts)
1 P-5, 2 P-3, 24 FS,
8 NPO, 113 NS, 2 IUNV
(2 NS[c], FS[c], 2 NS[b])
Property Management Section
(98 posts)
1 P-5, 2 P-4, 4 P-3, 1 P-2,
12 FS, 56 NS, 22 IUNV
(4 NS[b])
Joint Logistics Information Centre
(37 posts)
1 P-5, 2 P-4, 2 P-3, 5 FS,
23 NS, 4 NPO (2 NS[b])
Environmental Health and Safety Unit
(3 posts)
1 P-4, 1 P-3, 1 IUNV
Geographical Information Systems Section
(25 posts)
1 P-4, 2 P-3, 1 FS, 5 NS,
2 NPO, 14 IUNV

Abbreviations: USG, Under-Secretary-General; FS, Field Service; NPO, National Professional Officer; NS, national General Service staff; IUNV, international United Nations Volunteers; NUNV, national United Nations Volunteers.

[a] Includes general temporary assistance posts.

[b] Converted.

[c] Reassigned.



Map No. 4459 UNITED NATIONS
October 2011 (Colour)

Department of Field Support
Cartographic Section

United Nations A/66/520

General Assembly

Distr.: General
18 October 2011

Original: English

Sixty-sixth session
Agenda item 52
United Nations Relief and Works Agency for Palestine Refugees in the Near East

Report of the Working Group on the Financing of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

Rapporteur: Andreas **Løvold** (Norway)

Summary

The present report of the Working Group on the Financing of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) describes the activities of the Group during 2011 and provides a detailed outline of the current financial situation of UNRWA. The Working Group unanimously adopted the report at its meeting on 18 October 2011. As in previous reports of the Group, the present report closes with a number of concluding remarks addressed to all Member States.

11-55314 (E) 241011

Please recycle

I. Introduction

1. The Working Group on the Financing of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established by the General Assembly under resolution 2656 (XXV) to study all aspects of the financing of the Agency. In that resolution, the Assembly requested the Working Group to assist the Secretary-General and the Commissioner-General of UNRWA in reaching solutions to the problems posed by the Agency's financial crisis. UNRWA was established under General Assembly resolution 302 (IV), and its mandate was renewed most recently by the Assembly in its resolution 65/98.

2. The Working Group consists of the representatives of France, Ghana, Japan, Lebanon, Norway, Trinidad and Tobago, Turkey, the United Kingdom of Great Britain and Northern Ireland and the United States of America. The Working Group is currently chaired by Ertuğrul Apakan of Turkey.

3. At its twenty-fifth session and all those that followed, the General Assembly considered the reports submitted to it by the Working Group (in 2010, A/65/551) and adopted resolutions taking note with appreciation of the efforts of the Working Group (in 2010, General Assembly resolution 65/100).

II. Activities of the Working Group in 2011

4. The first regular session of the Working Group was convened on 15 September 2011. The meeting was held at the expert level and provided an opportunity for the members to hear from the Director of the UNRWA Representative Office in New York about the Agency's grave financial situation and to receive an update on the situation in the UNRWA fields of operation. The Director also updated the participants on the progress made on the request for additional funding from the United Nations regular budget, which emanated from the efforts of the Working Group in 2009. The Working Group met at its second session on 30 September and at its third session on 6 October to discuss its report in greater depth. The Working Group agreed on and adopted the present report on 18 October 2011.

III. Financial situation of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

5. The Agency's cash and in kind General Fund for the biennium 2010-2011 amounts to $1,226.7 million, of which the cash component for its programme requirements was $598.5 million for 2010 and $621.2 million for 2011. In addition, the programme budget for 2011 includes in kind assistance amounting to $3.5 million. Given its unusually dire financial outlook, in December 2010 the Agency reduced its programme requirements for 2011 by $53.2 million to $568.0 million, which includes funding of $30.8 million from United Nations assessed contributions to cover the cost of 133 international posts funded from the regular budget for the biennium 2010-2011. Against this reduced budget, as at August 2011, UNRWA expected a deficit at year's end of $47.6 million. With the expected deficit representing approximately one month's operating costs of $48.0 million, the Agency will not be in a position to fund the December 2011 payroll and other projected operational activities.

6. The Agency provided details to the Working Group on the extent and nature of the funding crisis that it faces and on the renewed efforts it is making to address the issue. UNRWA is deeply thankful to its donors for their generous contributions, particularly given the financial crisis worldwide. In 2010, generous donors came forward with substantial additional contributions, which allowed UNRWA to close its financial gap. In 2011, however, the Agency has been warned that many of the traditional UNRWA donors would not be able to step in owing to their own budget constraints. This is extremely worrying for UNRWA, which relies almost entirely on voluntary contributions to fulfil its mandate and meet the basic needs of a growing and increasingly marginalized Palestine refugee population. Higher and more predictable income remains critical, as shortfalls of the kind witnessed in 2010 have become structural. As expected, these shortfalls have continued, and 2011 will again be a very difficult year financially, as almost certainly will be the biennium 2012-2013. Since approximately 80 per cent of the Agency's General Fund expenditure relates to staff costs, which tend to increase as the refugee population grows each year, it has been difficult to reduce spending to meet short-term cash-flow requirements. Increased funding is required, particularly during the first quarter of the year, when the inflow of donor contributions is traditionally low while the Agency's costs are structurally high and fixed. The Agency renewed its appeal to donors to make additional efforts to fully fund the General Fund budget, on the grounds that UNRWA represents the principal source of basic services for the Palestine refugee population. The continued commitment of the international community to the refugees remains essential in the absence of a just and durable solution to their problem and in the light of the continuing conflicts in the region, which have had devastating economic and social effects.

7. The Agency informed the Working Group that, in addition to undermining the quality of and access to UNRWA services, the lack of funding had resulted in increased hardship for staff because of the Agency's inability to raise salaries fully in line with public sector pay increases in the host countries in which it operates. There are concerns that the Agency's continued inability to increase staff salaries to match inflation may pose additional challenges in the delivery of services. The lack of financial resources is also jeopardizing the ability of the Agency to fully implement the major management reforms undertaken under the organizational development initiative in the 2007-2009 period and continued and deepened under the "Sustaining change" initiative. Building on these basic management reform and strategic planning measures, the focus of the reform efforts over the coming years has been to improve the delivery of health, education, and relief and social services and to strengthen the Agency's resource mobilization and strategic communication capacity. This is detailed in the "Sustaining change" document shared with the Agency's Advisory Commission at its meeting in Jordan on 21 and 22 June 2011. Finally, the deficit is making it difficult for UNRWA to comply fully with initiatives mandated by the General Assembly, such as the International Public Sector Accounting Standards, the United Nations minimum operating security standards and the reform of internal justice, as well as the badly needed acquisition of an enterprise resource planning data management system. As mentioned in the 2010 report of the Working Group, an enterprise resource planning system would enable the Agency to manage its resources better and improve its comprehensive reporting to donors. Despite the challenges of being without an enterprise resource planning system, the Agency has embarked on an ambitious and extremely challenging plan to become compliant with the International Public Sector Accounting Standards by

the end of 2011, two years ahead of the revised deadline set by the Secretary-General. If it achieves this plan, it will be the only United Nations agency to have done so without an enterprise resource planning system.

8. The capital requirements of UNRWA programmes, as well as expenditure related to environmental health improvements and shelter rehabilitation, are mainly contained in the Agency's project budget. These requirements include the construction and expansion of schools, health centres, water and sanitation facilities, and camp improvement activities in general. The project budget was set at $228.8 million for 2011, of which $78.3 million (34.2 per cent) had been pledged by donors as at 30 September 2011, and funds received amounted to $25.3 million, leaving a deficit of $150.5 million in terms of pledges and $203.5 million in terms of contributions received. The Working Group is concerned about the inadequacy of project funding in view of the Agency's urgent need to construct new facilities and upgrade existing ones in order to enable it to meet the needs of a growing population, arrest the deterioration of the old installations and deliver quality services to refugees.

9. The Agency informed the Working Group of the fund-raising challenges that it faces, which include the need to: (a) increase substantially the level of funds received from existing donors and expand the donor base that contributes to the Agency's General Fund, as well as to projects and emergency appeals, including through partnerships with the private sector and foundations; (b) restore the financial health of the Agency by ensuring predictable and sustainable funding at appropriate levels; (c) re-establish an adequate working capital reserve; (d) communicate in a more strategic manner through the development of a stronger single corporate identity and the use of innovative technology; and (e) reorganize its resource mobilization and strategic communications structures, so as to be able to seize opportunities more systematically and market the Agency in a more proactive and creative way.

10. The Agency updated the Working Group on some of the steps that it had undertaken to improve its strategic approach to resource mobilization. During the reporting period, the Agency restructured its External Relations Department into an External Relations and Communications Department. Seeking to enhance its partnership capacity with a range of governmental, non-governmental and private sector actors, in line with current global United Nations practices, the Agency is currently establishing a Partnership Unit based in the Department. The Agency is thus incorporating strategic communications and partnership into its fund-raising efforts. The new Director of the Department has developed an outline strategy for resource mobilization, which was shared with the Advisory Commission of UNRWA in May 2011. Part of the strategy is to put in place action plans for emerging markets and individual philanthropists with a view to further broadening the donor base. In addition, the Agency has reported the signing of four new multi-year agreements with Australia; Flanders, Belgium; Finland; and Switzerland since the beginning of 2010, to add to those already signed in recent years with the European Commission and the United Kingdom. These measures will provide more predictable funding to the Agency. UNRWA has also strengthened the capacity of its Representative Office in Brussels and that of its Arab Partners Unit in Amman to work with its Arab donors and has opened a small representative office in Washington, D.C., to act as a source of information about UNRWA for key

governmental and non-governmental stakeholders in the United States, including the media.

11. For the third consecutive year, the Agency's working capital, which had to be used in the past to compensate for shortfalls of income against expenditure, is now virtually exhausted. The Agency began 2011 with a working capital of $41.8 million (equivalent to less than one month's average expenditure). If the forecast funding gap of $47.6 million were to materialize at the end of 2011, UNRWA would be faced with a working capital deficit of $5.8 million. Its working capital reserve therefore needs to be replenished as a matter of high priority. Given the Agency's rigid cost structure and unpredictable funding environment and in line with common public and private best practices, UNRWA estimates that it would be prudent to maintain the equivalent of at least three months' cash requirement. With a monthly cash outflow of around $48.4 million, comprising $37.0 million in staff costs and $11.4 million in non-staff costs, and an expected working capital deficit of $5.8 million, an injection of about $145 million in working capital is required to create a safety cushion for the Agency's finances.

12. The Agency expressed its concerns to the Working Group regarding the unfunded provision of severance payments, audited to be $330 million as at 31 December 2010 (an increase of $103 million compared with $227 million as at 31 December 2009) based on the current costs and UNRWA Staff Regulations and Rules. If UNRWA in future is required to show greater flexibility in the efficient use of staff, an immediate requirement will be the availability of sufficient funds to effect severance payments. UNRWA thus wishes to bring to the attention of the General Assembly the need to identify potential sources of funding that could be made available to finance UNRWA severance payments, on a standby basis and if required.

13. The Working Group recalled its conclusions at its extraordinary meeting in June 2009 (see A/64/115), in which it highlighted the inadequacy of the current level and scope of funding from the United Nations regular budget to meet contemporary demands on the Agency's management. Subsequently, the Secretary-General, in his report on strengthening the management capacity of UNRWA (A/65/705), proposed that funding for UNRWA from the regular budget be augmented on an incremental basis over the four succeeding bienniums, starting with an increase of $5 million for 2012-2013. The General Assembly, in its resolution 65/272, stressed that approval of funding for 2012-2013 and future bienniums, taking into consideration the recommendations in the report of the Secretary-General, was subject to justification in the context of the proposed programme budget for the relevant bienniums and consideration thereof by the Assembly. The Advisory Committee on Administrative and Budgetary Questions has considered the recommendations of the Working Group and will make its own recommendation to the General Assembly. The Working Group welcomed the steps being taken by UNRWA to bring to the attention of the Assembly, as a matter of urgency, the need to rectify the structural imbalance existing between the Agency's forecast income and planned programme and administrative expenditure. The Working Group encourages Member States, in the context of the Fifth Committee, to consider the request of the Secretary-General for additional funding for UNRWA.

14. The Working Group was informed that, as at 31 December 2010, the Palestinian Authority owed approximately $39.1 million in value added tax

reimbursements to the Agency, an increase of 12.4 per cent over the amount of approximately $34.8 million owed on 31 July 2009. This represents the largest amount ever owed by the Palestinian Authority to the Agency. UNRWA also noted that it continued to be concerned about port and related transit charges and the financial burden caused by Israeli security procedures for humanitarian goods imported through Israel. The Government of Israel continued to impose transit charges on shipments entering the Gaza Strip, obliging UNRWA to pay $362,002 between 1 July 2010 and 30 June 2011. In the Agency's view, the charges are a direct tax from which it ought to be exempt under the 1946 Convention on the Privileges and Immunities of the United Nations. Owing largely to the closure of the Karni and Sofa crossings and the requirement from June 2007 to palletize all container shipments, the Agency's excess operating charges in 2010 for the storage, demurrage, transportation and palletization of over 1,010 containers totalled some $1.9 million. In the first six months of 2011 alone, excess charges for about 1,365 containers amounted to some $2.3 million. The Agency considers that, for substantial periods, the throughput of goods was not consistent with the obligations of Israel under the Comay-Michelmore Agreement of 1967 and its obligations under international humanitarian law. In this regard, the Working Group calls upon all parties concerned to facilitate the mission of UNRWA to provide humanitarian assistance to the Palestine refugee population and to minimize the cost of the process.

15. To respond to the construction needs in Gaza, in particular the damage caused by the Israeli military operation that began on December 2008 and fighting in Gaza that continued until 18 March 2009, UNRWA prepared a recovery and reconstruction plan in March 2009. As outlined in the plan, the Agency intends to build 100 schools and 10,000 shelters in order to ensure universal access to education for refugee children and to provide new shelters to those who have lost their homes or live in unsafe and unhealthy conditions. The plan also involves the construction of a dedicated teacher training college, six health centres and critical water and sanitation infrastructure. The total cost of the plan is estimated at $661 million and includes projects frozen since 2007. These projects are essential for the rehabilitation and expansion of the Agency's education, health and sewage infrastructure, as well as rehousing for refugees who have lost their homes and are living in unacceptable conditions. As at 21 September 2011, 73 UNRWA construction projects (28 per cent of the recovery and reconstruction plan) worth $187 million had been approved by the Israeli authorities, including 42 schools out of 74 submitted to date. Another 47 submitted UNRWA projects worth $163 million were under the review of the Coordinator of Government Activities in the Territories, including 3 fully funded large-scale housing projects, a teacher training college, water and sanitation infrastructure rehabilitation and 32 schools. Of the approved projects, 12 had been completed, while the remaining 61 projects were either ongoing (22) or pending (39) owing to a lack of donor funding and incomplete contract documentation. Hence, for the first time since June 2007, UNRWA was able to complete suspended projects for its beneficiaries.

16. The Agency estimates that the implementation cost of projects halted in 2007 will be 30 per cent higher than the original budget. The continued need to secure project-by-project approval for the necessary reconstruction materials, effectively the need to account for every bag of cement, and the time involved in the coordination of imports with Israeli authorities will cost UNRWA an estimated

$1.3 million per year. Under the current access regime, Kerem Shalom is the only operational crossing for such transfers, with a current ceiling of 100 trucks of aggregate per day. Under such restrictions, if UNRWA is to implement its Gaza reconstruction over a three-year period as planned, it would need the exclusive use of the Kerem Shalom aggregate capacity for 8.5 months each year, although with planned upgrades this may be ameliorated. Moreover, the distances and capacity constraints involved at Kerem Shalom have led to additional transportation, storage, demurrage and palletization costs. The Working Group reiterates its concern at the progress in lifting remaining restrictions on and removing obstacles to the timely entry of material imposed by capacity constraints at the crossing point and urges the Government of Israel to expedite its efforts to ease restrictions and increase the amount of goods entering Gaza. The Working Group stresses that further progress is needed to address the situation in Gaza and underscores the importance of the full implementation of Security Council resolutions 1850 (2008) and 1860 (2009). Emphasizing the need to ensure the sustained and regular flow of goods and people through the Gaza crossings and the unimpeded provision and distribution of humanitarian assistance throughout Gaza, the Working Group highlights that the import restrictions render the population even more reliant on UNRWA services. The Working Group recognizes the vital role played by UNRWA in providing humanitarian and economic assistance in Gaza.

17. In the West Bank, a relative easing of closures between Palestinian communities on the eastern side of the separation barrier and a rise in the 2010 macroeconomic indicators, with growth reaching 7.6 per cent of gross domestic product,[1] led to improvements in socio-economic and living conditions in some communities. However, these benefits were felt less by Palestinians residing in Area C or between the barrier and the Green Line. The situation was similarly grim for East Jerusalem residents, who continued to be subject to tight restrictions on their movement and access and, in certain instances, to house demolitions, repeated displacement and increasing incidents of settler violence. Rising unemployment and lower real wages affect in particular Palestine refugees, who are often the poorest in their community, deepening their dependence on UNRWA.

18. The Working Group noted that in December 2010, UNRWA had launched an appeal for $379.7 million to address the emergency needs of Palestine refugees in the occupied Palestinian territory, comprising approximately $300 million for Gaza and $79 million for the West Bank. By 30 September 2011, UNRWA had received pledges totalling only $145 million, which represents less than half of the total appeal and falls short of meeting the basic needs of the 1.9 million registered refugees, or approximately half of the total population of Gaza and the West Bank, whose living conditions have continued to decline. Considering the deterioration of the socio-economic conditions in Gaza and the West Bank, the donor response to date has been disappointing. The lack of funding jeopardizes food aid, psychosocial assistance, temporary employment and cash assistance programmes, all of which are needed to mitigate the worst effects of the protracted crisis on poor families. Through the systematic monitoring and reporting of conditions, the emergency programmes also address human rights concerns and attempt to ensure that there is no abuse of UNRWA facilities.

[1] World Bank, "Building the Palestinian State: Sustaining Growth, Institutions, and Service Delivery", "Economic Monitoring Report to the Ad Hoc Liaison Committee", 13 April 2011.

19. The Agency also provided an update to the Working Group on the situation and financial challenges it is facing in Lebanon. The fierce conflict from May to September 2007 in and around the Nahr el-Bared refugee camp in northern Lebanon, between the Lebanese Army and a terrorist militant group known as Fatah al-Islam, resulted in the destruction of the entire camp, leaving 27,000 people displaced and homeless. Severe damage was also caused to adjacent areas. The task of rebuilding the Nahr el-Bared camp and caring for some 27,000 displaced refugees is one of the largest ever undertaken by the United Nations. The majority of these displaced persons are still living in temporary accommodations. Most are renting their own lodging, supported by UNRWA rental subsidies, while others are living in constructed temporary shelters or in collective centres leased and modified by the Agency. Donors have responded relatively generously to the three appeals launched so far by UNRWA to support those displaced. The Relief and Early Recovery Appeal, which originally covered a 16-month period up to the end of 2009, sought $42.7 million. By the end of 2009, $28 million (65 per cent) had been received. In 2010, UNRWA received $17.6 million for its core relief and recovery activities. While UNRWA did not launch another appeal in 2011, its relief operations require $18.5 million for the year. Assistance for temporary accommodation, food and hospitalization, as well as for other regular expenses, such as water and power supplies and the maintenance of temporary shelter facilities, must continue in 2012 and onward until the camp is rebuilt, at an estimated cost comparable to that incurred in 2011. UNRWA will have to continue to provide relief support to the displaced families of the camp until its full reconstruction. The time frame for the progressive reduction and eventual cessation of this relief support is entirely conditional on the speed of progress in the reconstruction, which in turn depends largely on the availability of further donor funding.

20. At the Vienna donor conference for the Nahr el-Bared camp, held on 23 June 2008 together with the Lebanese Government and the World Bank, a joint appeal for $445 million was launched. The UNRWA component of the appeal for the reconstruction, which is divided into eight phases, or "packages", amounts to $327.7 million, in addition to $17 million for pre-reconstruction operations (rubble removal and demining). Including funds received through the World Bank-administered multi-donor trust fund, as at 30 September 2011, firm pledges totalled $161.5 million. While the amount contributed to date is sufficient to cover the construction of residential and commercial units and related infrastructure outlined in packages 1, 2 and 3 and most of package 4, as well as four out of six school buildings and one health centre within the UNRWA compound, the balance of $183.3 million required to complete all eight packages (53 per cent of the total) still needs to be raised. As at 30 September 2011, 317 families had received the keys to their reconstructed homes in package 1, and 56 local business owners had been able to return. This modest step represents the initial phased return of the displaced residents of the Nahr el-Bared camp, following over four years of displacement and reconstruction efforts by UNRWA.

21. The Working Group encourages UNRWA to continue with its comprehensive camp improvement initiative, which seeks to upgrade living conditions in the other 11 Palestine refugee camps in Lebanon, a project fully supported by the Lebanese Government. In December 2010, a socio-economic survey of Palestine refugees in Lebanon conducted by UNRWA, in partnership with the American University of Beirut, revealed that 66.4 per cent of Palestine refugees in Lebanon are poor and

6.6 per cent are extremely poor. On the basis of those findings, UNRWA is developing a programmatic response to address the issues of shelter, health, food security and employment. In this regard, a special appeal will be launched in the latter part of 2011 for financial support from the international community. Finally, the Working Group welcomes the amendments to the employment legislation adopted by the Lebanese Parliament on 17 August 2010, granting additional employment rights to Palestine refugees, as a step in the right direction, and encourages the recently formed Government to ensure the implementation of the decree.

22. Since March 2011, the situation in the Syrian Arab Republic has presented new challenges for UNRWA. As a consequence of the changes in its working environment, the Agency has had to postpone some activities and adapt its programmes to respond to new needs, including the need for remedial education to help make up for missed classes and supplementary cash assistance for newly vulnerable families. The Working Group takes note of the additional financial requirements of the Agency and welcomes indications by some Governments, as well as the European Commission, of new funding for these activities. It also encourages other Governments to further assist the Agency with its increasing needs in the Syrian Arab Republic.

IV. Concluding remarks

23. The Working Group reiterates its belief that UNRWA plays a vital role in providing assistance to the Palestine refugees, as well as in preserving the stability and security of the region. To meet this strategic goal, adequate funding of the Agency's programmes, in accordance with the changing needs of the refugee community and in line with the comparable level of services provided by host authorities to their own citizens, is essential. In this regard, the Working Group welcomes the efforts of UNRWA to build on the reforms detailed in its "Sustaining change" plan, focus on implementing changes at the programme and management levels and pursue a more aggressive resource mobilization strategy.

24. The Working Group notes with grave concern the exceptionally large funding gap anticipated for the UNRWA General Fund not only in 2011 but also for the next biennium and reiterates that it is the responsibility of the international community to ensure that UNRWA services are maintained at an acceptable level, in quantitative and qualitative terms, and that funding keeps pace with the changing needs and growth of the refugee population.

25. The Working Group also notes with serious concern the structural nature of the Agency's financial crisis, whereby its General Fund is underfunded year after year, leading it to finance its annual deficit partly by spending its working capital, now virtually depleted. It welcomes the conclusions and urges all United Nations Member States to consider carefully the recommendations contained in the report of the Secretary-General on strengthening the management capacity of UNRWA. The Working Group reiterates its serious concern that if adequate resources are not provided to the Agency, not only will the achievements from the comprehensive reforms of the Agency's work currently being undertaken by its management be put at risk, but the capacity of UNRWA to fully implement its mandate will also be jeopardized.

26. In view of the difficult humanitarian conditions in the occupied Palestinian territory, the Working Group recognizes the essential humanitarian role played by UNRWA emergency operations in alleviating the hardship of the refugees and in mitigating further decline in their living conditions. It thus urges all potential donors, traditional and non-traditional, to redouble their efforts to fully respond to the Agency's emergency appeals for 2011.

27. The Working Group reiterates its concern at the continued tight restrictions on the movement of UNRWA staff and humanitarian goods into and out of the occupied Palestinian territory and between its parts. It calls upon the Government of Israel to accord the Agency free and unfettered access and, in this regard, to further simplify the approval process by which the Agency transports humanitarian materials into Gaza. The Working Group supports further opening the Gaza crossings to allow the unimpeded flow of humanitarian aid, commercial goods and persons to and from Gaza, consistent with Security Council resolution 1860 (2009).

28. The Working Group commends the Commissioner-General and all UNRWA staff for their tireless efforts over the past year to maintain the regular and emergency services of the Agency under very difficult operational circumstances. In particular, it commends the Commissioner-General for the Agency's fund-raising efforts, which enabled the Agency to continue its operations during the latter half of 2010, and his commitment to keeping major donors and host authorities informed and involved, which opens new avenues of support and funding. The Working Group is gratified by the support of a growing number of non-traditional donors and encourages UNRWA to continue its efforts to widen the donor support base.

29. The Working Group calls for the early and complete fulfilment of outstanding donor pledges to UNRWA. It also takes note of the importance for the Agency's planning purposes of early payment of pledges, coupled, where possible, with multi-year commitments of funds.

30. The Working Group welcomes the Agency's financial reforms and increased transparency, which have put it at the forefront of the United Nations agencies, being one of the few that have effected a hard close of monthly accounts, which is a step forward acknowledged by the Board of Auditors. The Working Group reiterates the Advisory Commission's support for these reforms, especially the introduction of monthly financial reporting since April 2011, reflecting financial performance by resources, strategic objectives and programmes; balance sheet; cash flow; and Agency head count. It particularly welcomes UNRWA sharing this report with its donors, thereby increasing transparency.

31. The Working Group notes with concern the lack of funding for UNRWA projects, which constitute the third portal (the General Fund and emergency appeals being the first and second portal, respectively) through which the Agency receives funding. It encourages all Governments to consider increasing their funding to these portals. In particular, the Working Group is alarmed by the little funding received to date for the reconstruction of the Nahr el-Bared camp in Lebanon, the Agency's largest project ever. The Working Group calls upon all donors, including countries in the Middle East region, to lend their full support to the reconstruction and relief operations until the camp is rebuilt, as failure to do so might have serious consequences for the security of the refugees and the stability of Lebanon and therefore of the region.

32. The Working Group reiterates that humanitarian problems faced by the Palestine refugees today must be addressed as a shared international responsibility pending a final and comprehensive settlement of the Israeli-Palestinian conflict. The services provided by UNRWA must be viewed as the minimum required, enabling the refugees to lead productive lives. Any reduction in those services would not only unfairly deprive them of the minimum level of support to which they are entitled but could also have a destabilizing effect on the entire region. Above all, the Working Group expresses the hope that the international support for UNRWA embodied in the resolutions adopted each year by the General Assembly, in which the Assembly recognizes the importance of the work of the Agency, will be translated into increased financial support to ensure the continuation of the Agency's work on a sound financial basis.

33. The Working Group strongly urges all Governments to bear in mind the foregoing considerations when deciding upon the level of their contributions to UNRWA for 2011 and 2012 and once again:

(a) Urges those Governments that have not yet contributed to UNRWA to do so on a regular basis;

(b) Urges Governments that have so far made only relatively small contributions or else contributions that have not kept up with increased needs to raise the level of their support;

(c) Urges Governments that in the past have made generous contributions to UNRWA to continue to do so in a timely manner and to strive to increase them;

(d) Urges Governments that traditionally have shown special interest in the welfare of the Palestine refugees, both in the region and beyond, to begin contributing to UNRWA or to increase their contributions;

(e) Urges Governments to fully fund the UNRWA budgets for 2011 and for the biennium 2012-2013 to ensure that the real value of contributions to the Agency is maintained and that donor support for emergency-related and special projects does not in any way decrease contributions to or divert them from its General Fund;

(f) Urges donor Governments, where possible, to provide incrementally increased multi-year funding to allow UNRWA to better plan its activities;

(g) Urges all Member States to consider the Secretary-General's recommendation to increase the funding to UNRWA from the United Nations regular budget, without an overall increase in the latter;

(h) Highlights the need to identify potential sources of funding to meet the severance payment obligations of UNRWA when these are needed.